

TO: The Honorable Mayor Benjamin and Columbia City Council

**DATE:** November 11, 2013

CC: Teresa Wilson, City Manager

S. Allison Baker, Senior Assistant City Manager

Erika Moore, City Clerk

Kathy Santandreu, Purchasing, Buyer

FROM: Pamela Benjamin, Human Resources Director

Missy Caughman, Budget Director Natasha Adams, Benefits Administrator

**RE:** Blue Cross Blue Shield Plan Renewal

We are seeking approval from City Council to renew the following contract for the plan period of January 1, 2014 through December 31, 2014:

Blue Cross Blue Shield of South Carolina (BCBS), located in Columbia, SC, is the third party administrator for the City's health benefits plan and operator of the Employee Health Center. The original contract was approved by City Council on February 17, 2010. There are no changes to the contract for plan administration. The funding source is health insurance fund GL 6048933:

Estimated Annual Administration Fee 2014	\$1,860,000
Estimated Center Cost	\$704,850

Please note that the amount paid may fluctuate depending on the number of eligible participants. We ask for your consideration of our recommendation and look forward to continue working to help preserve and potentially improve the benefits provided to our employees and retirees while striving to maintain and control costs.

We look forward to discussing this matter with you further.